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DE RUEHKO #3403/01 3500914
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FM AMEMBASSY TOKYO
TO RUEHC/SECSTATE WASHDC IMMEDIATE 9457
INFO RUEHAK/AMEMBASSY ANKARA IMMEDIATE 0286
RUEHBJ/AMEMBASSY BEIJING IMMEDIATE 6837
RUEHIL/AMEMBASSY ISLAMABAD IMMEDIATE 2127
RUEHBUL/AMEMBASSY KABUL IMMEDIATE 0649
RUEHLO/AMEMBASSY LONDON IMMEDIATE 2289
RUEHNE/AMEMBASSY NEW DELHI IMMEDIATE 8645
RUEHFR/AMEMBASSY PARIS IMMEDIATE 6365
RUEHRO/AMEMBASSY ROME IMMEDIATE 2217
RUEHKP/AMCONSUL KARACHI IMMEDIATE 0095
RUEHLH/AMCONSUL LAHORE IMMEDIATE 0021
RUSHPW/AMCONSUL PESHAWAR IMMEDIATE 0056
RHMFISS/USFJ IMMEDIATE
RUEHBS/USEU BRUSSELS IMMEDIATE
RUEHNO/USMISSION USNATO IMMEDIATE 1302
RUCNDT/USMISSION USUN NEW YORK IMMEDIATE 2938

C O N F I D E N T I A L SECTION 01 OF 02 TOKYO 003403

SIPDIS

DEPT FOR SCA/PB

E.O. 12958: DECL: 12/14/2018

TAGS: [EAID](#) [ECON](#) [EFIN](#) [IBRD](#) [PREL](#) [IMF](#) [PK](#) [JA](#)

SUBJECT: AMBASSADOR FOLLOWS UP ON PAKISTAN DONORS CONFERENCE

REF: A. TOKYO 3382

[1](#)B. STATE 129615

Classified By: AMBASSADOR J. THOMAS SCHIEFFER, REASONS 1.4(B),(D).

[1](#)1. (C) Summary. Japan recognizes the importance of Pakistan to the war on terror and is committed to remain a top donor, VFM Yabunaka assured the Ambassador on December 15. At the same time, he said, Japan is "perplexed" by the immediacy of a planned donors conference in January and unclear on the goals, particularly given the IMF's recent commitment to provide USD 7.6 billion to assist with the most immediate balance of payments problems. Other needs can be addressed after the IMF has an opportunity to undertake a more detailed analysis in March 2009, he added. The Ambassador promised to seek additional clarification from Washington. He also expressed appreciation for the December 15 passage of the OEF refueling legislation, which will allow Japan to continue its refueling efforts in the Indian Ocean. Yabunaka confirmed that Southwest Asia DG Inomata will travel to Washington on December 17 for discussions on the region. End Summary.

[1](#)2. (C) This is an action request. Please see para 5.

[1](#)3. (C) Ambassador Schieffer telephoned Vice Foreign Minister Mitoji Yabunaka December 15 to follow up a December 12 demarche (Ref A) urging Japan's participation in a donors conference on Pakistan in January (Ref B). "Japan understands the importance of Pakistan to the war on terror," Yabunaka assured the Ambassador, and there is "no reluctance" on the part of the government to providing assistance. Japan is already one of the top donors to Pakistan, he continued, and he expressed confidence that Japan will remain "if not the number one donor, then the number two donor to Pakistan" for the foreseeable future. Japan is currently disbursing over USD 500 million in yen loans pledged for the fiscal year ending on March 31, 2009, he explained, covering four projects related to the eventual construction of an oil pipeline. This doubling of yen loans over the previous commitment illustrates Japan's understanding of the importance of Pakistan, he stated. Japan will also provide an additional USD 75 million in grants and technical cooperation during this period, he added.

[1](#)4. (C) At the same time, Yabunaka observed, Japan is

"perplexed" by the sudden timing of the conference and unclear on the actual objectives. While the call for donors appears to be based on an immediate need to rectify Pakistan's balance of payments problems, a recent commitment from the IMF to extend USD 7.6 billion should be sufficient to bridge the gap, he indicated. Pakistan has other needs as well, he said, but the IMF will review those in greater detail in March. Based on that assessment, Yabunaka questioned the analysis of Pakistan's current needs and the purpose of the conference. He also expressed confusion over the mix of proposals on the table, which include the donors conference in January and a Friends of Pakistan meeting in February. He reiterated his concern that the goals are unclear and requested further clarification. If the meetings are somehow integrated, he remarked, Japan might be interested in hosting. Yabunaka confirmed that Southeast and Southwest Asia Director General Hiroshi Inomata will be traveling to Washington for a meeting with SCA Assistant Secretary Richard Boucher on December 17 and will be "prepared to sit and talk."

15. (C) Action Requested: Please provide additional clarification on the immediate need for additional assistance to Pakistan and on the separate goals for the donors conference in January and the Friends of Pakistan meeting the following month.

16. (C) The Ambassador also thanked Yabunaka for his role in gaining passage of legislation to authorize the continuation of Japan's refueling efforts in the Indian Ocean in support

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of Operation Enduring Freedom (OEF). Yabunaka noted Prime Minister Taro Aso's strong commitment to enacting the measure.
SCHIEFFER